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FILED

JUN 24 2014

**SECRETARY, BOARD OF
OIL, GAS & MINING**

**BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH**

In the Matter of the Informal Conference for the Fact of Violation and Proposed Assessment for Citation No. MC-2013-17- 03, C.E. Butters Realty and Construction	JOINT STIPULATION TO DISMISSAL Docket No.: 2014-007 Cause No.: S/005/0004
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PROCEDURAL BACKGROUND

1. On July 29, 2013, the Utah Division of Oil, Gas and Mining ("Division") issued Citation No. MC-2013-17-03 ("Citation") to C.E. Butters Realty and Construction ("Butters Construction") for conduction mining operations without a permit.
2. On July 31, 2013, Mr. Kevin Butters, on behalf of Butters Construction, timely requested a stop work conference.
3. On August 6, the stop work conference officer issued a decision that upheld the Citation.
4. On August 30, 2013, Mr. Butters, on behalf of Butters Construction, timely requested an informal conference to review the stop work conference officer's decision.
5. On November 15, 2013, the informal conference officer issued a decision that upheld the Citation, but decreased the proposed assessment from approximately \$3000.00 to \$264.00.
6. On December 13, 2013, counsel for Butters Construction filed a petition requesting a formal hearing before the Board.

7. In order to fully resolve the matters as set forth in the Request and all matters related thereto, the parties enter into the stipulation herein set forth.

STIPULATED FACTS

8. Butters Construction was hired by the Hideout at Scare Canyon ("Hideout"), a development or association of properties in Cache County, Utah, to construct improvements, including roadways, within the development. The improvements were bonded with the County and in accordance with the approved plat for the subdivision.

9. In the process of constructing the roadways, Butters Construction extracted material from the area include in the NOI and used that material in the creation of roadways. The extracted material was also used in landscaping for some of the properties within Hideout.

10. The extracted material was not sand, gravel, or rock aggregate.

11. The citation and fine issued by the Division were based on the belief that Butters Construction would continue to use the extracted material in constructing main access roads within Hideout, and would continue to use the extracted material off-site.

12. Upon further investigation and discussion with Butters Construction's counsel, the Division believes vacating the citation and fine is appropriate because:

- a. Cache County permitted Butters Construction to construct roads within Hideout, in accordance with the bonded improvements required by the Cache County subdivision development process;
- b. Butters Construction has obtained a valid NOI and posted a bond for reclamation of the mine site; and

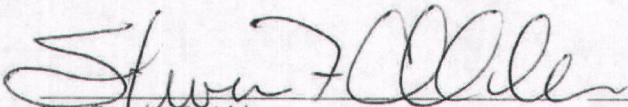
c. Butters Construction has represented to the Division that it will not use or sell the excavated materials without first obtaining the necessary approval and permits from Cache County.

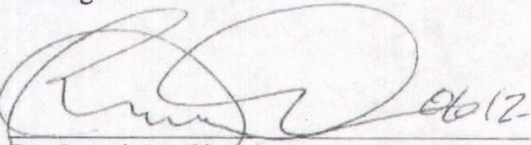
STIPULATION

In light of the foregoing stipulated facts, counsel for the Division and Butters Construction hereby stipulate to the following:

1. Citation No. MC-2013-17-03, issued July 29, 2013, is vacated.
2. The two hundred and sixty four dollar (\$264.00) fine associated with that Citation and currently held by the Division is vacated and must be returned to Butters Construction within 10 business days of the signing of this agreement.
3. The parties move the Board to dismiss the "Petition - Request for Formal Hearing before the Board" (Request for Agency Action), filed on December 13, 2013, with prejudice.

SO STIPULATED:

 6/24/2014
By: Steven F. Alder Date
Attorney for the Division of Oil, Gas and
Mining

 6/23/2014
By: Joseph M. Chambers Date
Attorney for C.E. Butters Realty and
Construction

**BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH**

In the Matter of the Informal Conference
for the Fact of Violation and Proposed
Assessment for Citation No. MC-2013-17-
03, C.E. BUTTERS REALTY AND
CONSTRUCTION

**[PROPOSED] ORDER DISMISSING
CAUSE WITH PREJUDICE**

Docket No.: 2014-007
Cause No.: S/005/0004

The Board of Oil, Gas and Mining, having reviewed and considered the Joint Stipulation to Dismissal, hereby dismisses the above-captioned matter with prejudice.

ENTERED this ____ day of June, 2014.

STATE OF UTAH
BOARD OF OIL, GAS AND MINING

Ruland J. Gill, Jr., Chairman

*Approved for
For me
6-23-2014
DOBM
6/24/2014*

CERTIFICATE OF SERVICE

I hereby certify that on this 24th day of June, 2014, I caused a true and correct copy of the foregoing **JOINT STIPULATION TO DISMISSAL** for Docket No. 2014-007 Cause No. S/005/0004 to be mailed with postage prepaid, to the following:

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